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C O N F I D E N T I A L SECTION 01 OF 02 BAKU 001471

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E.O. 12958: DECL: 10/02/2016 TAGS: <u>PGOV PINR PREL KDEM IR AJ</u> SUBJECT: NAKHCHIVAN - UNDERGROUND IRANIAN INFLUENCE

REPORTEDLY ON THE RISE

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11. (C) SUMMARY: Conventional wisdom, especially as articulated by GOAJ officials, is that Azerbaijan's Nakhchivan Autonomous Republic is completely isolated and dependent upon Iran for its economic livelihood (reftel). recent visit to Nakhchivan revealed less official rhetoric about Nakhchivan's dependence on Iran and a tightening in its visa regime with Iran - less than a year after visas had been waived. At the same time, both the Turkish Consul General and NGO activists separately complained of growing "underground" Iranian influence in the autonomous republic. Given the local authorities' tight controls over civil society, they likely are keeping a wary eye on reports of such Iranian activity in Nakhchivan; we suspect this could be linked to the sudden reversal in visa policy. END SUMMARY.

Nakhchivan Autonomous Republic - A Different Country

12. (C) In a recent visit to Azerbaijan's Nakhchivan Autonomous Republic from 25 to 27 September, post's Iran Watcher met with a wide range of contacts and traveled extensively within the exclave. An autonomous republic established during the Soviet period, the exclave continues to maintain its own parallel governmental structures, including its own parliament and passport control, for example. Cut off from the Republic of Azerbaijan proper, Nakhchivan shares open borders with Turkey and Iran, and a closed border with Armenia. Azerbaijani government officials historically have pointed to Nakhchivan's dependence on Iran for both trade and energy as an important factor moderating the GOAJ's public stance toward Iran.

Tight Control Over Civil Society Efforts

13. (C) Nakhchivan's local authorities maintain tight control over society, further adding to the autonomous republic's sense of isolation. In a holdover from the Soviet era, security services keep a close eye on civil society and are particularly suspicious of foreign influences. NGO activists reported that opposition political parties are not allowed to operate openly in the autonomous republic and the sale of their newspapers is forbidden. NGO activists also said that local authorities viewed their activities as "subversive," routinely refusing NGOs the ability to register and operate. For example, government authorities recently banned the $\,$ distribution of pamphlets seeking to raise HIV awareness, citing the "subversive nature" of the pamphlets and stating that there was no HIV problem in Nakhchivan.

"Good" Relations with Iran

(C) Vugar Safarov, Head of the Executive Authority of Nakhchivan City (essentially Nakhchivan's governor), characterized Nakhchivan's relations with Iran to be "good" and said that relations remained unaffected by increasing tensions between the international community and Iran. Asked to elaborate on economic and energy ties, Safarov was unwilling to provide any in-depth details, indicating that links were extensive and that he would not elaborate because "these were the internal issues of both countries." However, in stark contrast with government officials consulted on previous embassy visits to the exclave (reftel), Safarov was extremely rational and did not stress Nakhchivan's situation in the dire terms previous local government interlocutors In fact, with respect to energy exchanges (Azerbaijan supplying natural gas to Iran's Astara region in exchange for Iranian supplies to Nakhchivan), Safarov indicated that he believed Iran to be benefiting more from the exchange, arguing that northern Iran was in far greater need of energy supplies than Nakhchivan.

Iranians "Up to No Good"

15. (C) According to the Republic of Turkey's Consul General in Nakhchivan Sefa Yuceer, the Iranians are "up to no good" in Nakhchivan. In his view, the size of the Iranian Consulate General in Nakhchivan was simply too large given Nakhchivan's relatively small geographic area and, in his view, limited economic importance to Iran. Yuceer argued that Nakhchivan serves primarily as an import/export corridor for Iran. Describing his efforts to ascertain the size and makeup of the Iranian Consulate General's staff, he reported that he was unable to obtain a copy of the diplomatic list

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from local authorities. Additionally, he was able to confirm that as in Baku, the Iranian Consul General and many of his key staffers were of ethnic Azeri origin. Providing insights into the current visa regime in existence between citizens of Nakhchivan and Iran, Yuceer said that Nakhchivanis were now required to present a tourist visa to enter Iran (available from the Iranian Consulate General for a fee of 46 US Dollars). He confirmed that the previous visa-free travel regime was no longer in effect and that the previously issued Iranian "travel document" for Nakhchivani citizens (allowing them visa-free travel to Iran) was no longer valid. Both points were corroborated by our NGO and other contacts.

Iranian Underground Activity on the Rise?

16. (C) In a meeting with local NGO representatives sponsored by Mahammad Rzayev and Malahat Nasibova of the Democracy and NGO Development Resource Center, a number of representatives voiced their concerns about "underground" Iranian activities, especially in rural areas. According to them, many Nakhchivanis turn to religion and religious charities for support, due to the local government's failure to deliver basic services and the inability of NGOs to address these deficiencies. Citing the example of a rural family that could not afford life-saving medical treatment for the family's matriarch, anonymous "donors" paid for all expenses - to include the operation at a hospital in Iran. Others claimed that Iranian "agents" were known to make cash payments (in US Dollars) to assist with financial calamities experienced in the communities in which they operated, to include emergency medical treatment and deaths in the family. All meeting participants agreed that what was enabling the Iranians to increase their influence was not only the failure of the local government to attend to the basic needs of its people, but also the increase in religious leaders (trained at Iranian theological seminaries) returning home to Nakhchivan to guide their followers.

17. (C) Comment: Safarov's comments represent a significant

change from previous Nakhchivani officials' rhetoric regarding the autonomous republic's dependence on Iran. Whether or not the reintroduction of the visa requirement (which had been waived with great fanfare during Ahmadinejad's December 2005 visit to Nakhchivan) is tied to increased Iranian underground activity is yet to be seen. Post will continue to monitor these developments in future visits. End Comment. DERSE